This example accounting policy should be reviewed and updated to fit the Trust’s circumstances. Additional detail may be required. In particular please note:

Blue text: This is an example statement that the trust should review/adapt as appropriate. It’s important that these are deleted if not applicable to the Trust.

Red text: Instructions that should be reviewed/addressed then deleted.

* 1. **Standards, amendments and interpretations in issue but not yet effective or adopted**

The DHSC GAM does not require the following IFRS Standards to be applied in 2024/25:

*IFRS 17 Insurance Contracts* – The Standard is effective for accounting periods beginning on or after 1 January 2023. IFRS 17 has been adopted by the FReM from 1 April 2025. Adoption of the Standard for NHS bodies will therefore be in 2025/26. The Standard revises the accounting for insurance contracts for the issuers of insurance. [Application of this standard from 2025/26 is not expected to have a material impact on the financial statements.]

*IFRS 18 Presentation and Disclosure in Financial Statements* - The Standard is effective for accounting periods beginning on or after 1 January 2027. The Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted. The expected impact of applying the standard in future periods has not yet been assessed.

*IFRS 19 Subsidiaries without Public Accountability: Disclosures* - The Standard is effective for accounting periods beginning on or after 1 January 2027. The Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted. The expected impact of applying the standard in future periods has not yet been assessed.

*Changes to non-investment asset valuation* – Following a thematic review of non-current asset valuations for financial reporting in the public sector, HM Treasury has made a number of changes to valuation frequency, valuation methodology and classification which are effective in the public sector from 1 April 2025 with a 5 year transition period. NHS bodies are adopting these changes to an alternative timeline.

Changes to subsequent measurement of intangible assets and PPE classification / terminology to be implemented for NHS bodies from 1 April 2025:

* Withdrawal of the revaluation model for intangible assets. Carrying values of existing intangible assets measured under a previous revaluation will be taken forward as deemed historic cost.
* Removal of the distinction between specialised and non-specialised assets held for their service potential. Assets will be classified according to whether they are held for their operational capacity.

[These changes are not expected to have a material impact on these financial statements.]

Changes to valuation cycles and methodology to be implemented for NHS bodies in later periods:

* A mandated quinquennial revaluation frequency (or rolling programme) supplemented by annual indexation in the intervening years.
* Removal of the alternative site assumption for buildings valued at depreciated replacement cost on a modern equivalent asset basis. The approach for land has not yet been finalised by HM Treasury.

[The impact of applying these changes in future periods has not yet been assessed. PPE and right of use assets currently subject to revaluation have a total book value of £Xm as at 31 March 2025. Assets valued on an alternative site basis have a total book value of £Xm at 31 March 2025.]

[Where providers currently use an alternative site valuation, although the impact has not been quantified, they may wish to disclose that the revised valuation assumption may have a material or significant impact on PPE measurement in future periods.]